



DEPARTMENT OF ENERGY

Bonneville Power Administration

[BPA File No.: TC-24]

Proposed Modifications to Open Access Transmission Tariff; Public Hearing and Opportunities for Public Review and Comment

AGENCY: Bonneville Power Administration (Bonneville), Department of Energy (DOE).

ACTIONS: Notice of public hearing and opportunity to review and comment.

SUMMARY: Bonneville is initiating a proceeding pursuant to Bonneville's open access transmission tariff (Tariff) and the Federal Power Act to modify the non-rate terms and conditions for transmission, ancillary, and generator interconnection services in Bonneville's Tariff, to be effective on October 1, 2023. Bonneville has designated this proceeding Docket No. TC-24.

DATES:

Prehearing Conference: The TC-24 tariff proceeding will begin with a prehearing conference, which will be held via telephone on Friday, December 2, 2022.

Intervention: Anyone intending to become a party to the TC-24 tariff proceeding must file a petition to intervene on Bonneville's secure website. Petitions to intervene may be filed beginning on the date of publication of this Notice and are due no later than 4:30 p.m. on Monday, December 5, 2022.

ADDRESSES: Interested parties may obtain call-in information by accessing Bonneville's TC-24 tariff proceeding webpage at <https://www.bpa.gov/goto/tc24> or by contacting the Hearing Clerk at TC24clerk@gmail.com. The TC-24 prehearing conference will begin immediately following the conclusion of the prehearing conference for Bonneville's BP-24 Power and Transmission Rate Proceeding, which begins at 10:00 a.m.

Participant Comments: Written comments by non-party participants must be received by Friday,

December 9, 2022 to be considered in the Hearing Officer's recommended decision and the Administrator's Record of Decision (ROD).

Part III of this notice, "Public Participation in TC-24," provides details on requesting access to the secure website, filing a petition to intervene, and submitting participant comments.

FOR FURTHER INFORMATION CONTACT: Ms. Elissa Haley, DKS-7, BPA

Communications, Bonneville Power Administration, P.O. Box 3621, Portland, Oregon 97208; by phone toll-free at 1-800-622-4519; or by e-mail to *enhaley@bpa.gov*.

The Hearing Clerk for this proceeding can be reached via e-mail at *TC24clerk@gmail.com* or via telephone at (503) 479-8506.

Please direct questions regarding Bonneville's secure website to the Rate Hearing Coordinator via e-mail at *cwgriffen@bpa.gov* or, if the question is time-sensitive, via telephone at (503) 230-5107.

Responsible Official: Rebecca Fredrickson, Manager of Transmission Rates, Tariff, Regulatory and Compliance, is the official responsible for the development of Bonneville's open access transmission tariff.

SUPPLEMENTARY INFORMATION:

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Part I – Introduction and Procedural Matters

A. Introduction

The Bonneville Project Act of 1937, as reaffirmed in the Pacific Northwest Electric Power Planning and Conservation Act, grants the Bonneville Administrator broad authority to

enter into contracts upon such terms and conditions and in such manner as the Administrator may deem necessary. Bonneville's Tariff provides the generally applicable terms and conditions for transmission service across the Federal Columbia River Transmission System (FCRTS). Section 9 of the Tariff provides that the Bonneville Administrator may use the procedures set forth in section 212(i)(2)(A) of the Federal Power Act to establish and modify non-rate terms and conditions of the Tariff. Section 212(i)(2)(A) of the Federal Power Act provide procedures the Administrator may use to establish and modify terms and conditions of general applicability for transmission service across the FCRTS. The section 212(i)(2)(A) procedures include giving notice in the *Federal Register* and conducting a hearing that adheres to the procedural requirements of paragraphs (1) through (3) of Section 7(i) of the Northwest Power Act, 16 U.S.C. 839e(i) (the same procedures Bonneville uses to set rates). In accordance with these procedures, the Hearing Officer conducts one or more hearings as expeditiously as practicable to develop a full and complete record. Unless the Hearing Officer becomes unavailable to Bonneville, upon conclusion of the hearing, the Hearing Officer shall make a recommended decision to the Administrator, and the Administrator then makes a separate and final determination to establish or modify the Tariff terms and conditions (discussed further in Part III, Section C of this notice).

Bonneville's Rules of Procedure govern the TC-24 tariff proceedings. The rules are posted on Bonneville's website at <https://www.bpa.gov/energy-and-services/rate-and-tariff-proceedings/rules-of-procedure-revision-process>.

B. Proposed Settlement for Modifications to the Tariff

Since early August, Bonneville engaged its transmission and interconnection customers in an attempt to reach settlement of the modifications to the Tariff for the TC-24 proceeding. These discussions have resulted in the TC-24 Settlement Agreement. Bonneville is proposing to adopt the TC-24 Settlement Agreement in the TC-24 proceeding. A summary of Bonneville's proposed Tariff modifications is provided in Part IV of this notice. A link to the full settlement

is provided in Part V.

The TC-24 Settlement Agreement calls for Bonneville to file a motion with the Hearing Officer to establish a deadline for parties to either object to the proposed settlement or waive the right to contest the settlement. If no parties object to the settlement by the deadline set by the Hearing Officer, Bonneville's motion would request the Hearing Officer to issue a decision recommending the Administrator adopt the TC-24 Settlement Agreement. Bonneville intends to file its motion soon after the TC-24 prehearing conference.

If a party objects to the TC-24 Settlement Agreement, Bonneville will notify all parties and decide how to proceed with respect to the Tariff modifications in the initial proposal.

C. Proposed Procedural Schedule

A proposed schedule for the proceeding is provided below and is based on an outcome in which Bonneville's proposed Tariff is settled. The official schedule will be established by the Hearing Officer and may be amended by the Hearing Officer as needed during the proceeding.

Prehearing Conference	December 2, 2022
BPA Files Initial Proposal	December 2, 2022
Deadline for Petitions to Intervene	December 5, 2022
Deadline for Objections to Settlement Agreement	December 9, 2022
Close of Participant Comments	December 9, 2022
Hearing Officer's Recommended Decision Issued	January 13, 2023
Final ROD	February 9, 2023

D. Ex Parte Communications

Section 1010.5 of the Rules of Procedure prohibits *ex parte* communications. *Ex parte* communications include any oral or written communication (1) relevant to the merits of any issue in the proceeding; (2) that is not on the record; and (3) with respect to which reasonable prior notice has not been given. The *ex parte* rule applies to communications with all Bonneville and DOE employees and contractors, the Hearing Officer, and the Hearing Clerk during the

proceeding. Except as provided, any communications with persons covered by the rule regarding the merits of any issue in the proceeding by other Executive Branch agencies, Congress, existing or potential Bonneville customers, nonprofit or public interest groups, or any other non-DOE parties are prohibited. The rule explicitly excludes and does not prohibit communications (1) relating to matters of procedure; (2) otherwise authorized by law or the Rules of Procedure; (3) from or to the Federal Energy Regulatory Commission (Commission); (4) which all litigants agree may be made on an *ex parte* basis; (5) in the ordinary course of business, about information required to be exchanged under contracts, or in information responding to a Freedom of Information Act request; (6) between the Hearing Officer and Hearing Clerk; (7) in meetings for which prior notice has been given; or (8) otherwise specified in Section 1010.5(b) of the Rules of Procedure. The *ex parte* rule remains in effect until the Administrator's Final ROD is issued.

Part II – Scope of the TC-24 Tariff Proceeding

The TC-24 tariff proceeding is a proceeding for the adoption of modifications to the non-rate terms and conditions in Bonneville's Tariff. This section provides guidance to the Hearing Officer regarding the specific issues that are outside the scope of the TC-24 tariff proceeding. In addition to the issues specifically listed below, any other issue that is not a Tariff term or condition issue is outside the scope of this proceeding.

Bonneville may revise the scope of the proceeding to include new issues that arise as a result of circumstances or events occurring outside the proceeding that are substantially related to the Tariff terms and conditions under consideration in the proceeding. *See* Rules of Procedure section 1010.4(b)(8)(iii), (iv). If Bonneville revises the scope of the proceeding to include new issues, Bonneville will provide public notice on its website, present testimony or other information regarding such issues, and provide a reasonable opportunity to intervene and respond to Bonneville's testimony or other information. *Id.*

A. Business Practices

Bonneville's business practices provide implementation details for the Tariff and are outside the scope of the TC-24 tariff proceeding. Bonneville's decisions regarding the business practices are determined in other forums and follow the procedures in Bonneville's Business Practice Process. If business practices are developed for the proposed terms and conditions in this proceeding, such development will occur outside the terms and conditions proceeding. Pursuant to section 1010.4(b)(8) of the Rules of Procedure, the Administrator directs the Hearing Officer to exclude from the record all argument, testimony, or other evidence that proposes or challenges Bonneville's current and future business practices.

B. Customer-Specific Contracts and Disputes

Contracts and contract disputes between Bonneville and its customers are outside the scope of the TC-24 tariff proceeding. Pursuant to section 1010.4(b)(8) of the Rules of Procedure, the Administrator directs the Hearing Officer to exclude from the record all argument, testimony, or other evidence related to contracts and contract disputes of Bonneville customers.

C. Oversupply Management Protocol

The Oversupply Management Protocol (Tariff Attachment P) includes the Tariff requirements and procedures used to moderate total dissolved gas levels in the Columbia River to protect endangered fish and other aquatic species. Bonneville does not propose to modify the terms of the Oversupply Management Protocol in the TC-24 tariff proceeding. Pursuant to section 1010.4(b)(8) of the Rules of Procedure, the Administrator directs the Hearing Officer to exclude from the record all argument, testimony, or other evidence related to the terms of the Oversupply Management Protocol (Tariff Attachment P), including whether the Oversupply Management Protocol complies with orders of the Commission; whether Bonneville took all actions to avoid using the Oversupply Management Protocol, including the payment of negative prices to generators outside of Bonneville's balancing authority area; and issues concerning the rates for recovering the costs of the Oversupply Management Protocol.

D. Program Cost Estimates

Bonneville's projections of its program costs and spending levels are not determined in terms and conditions proceedings and are outside the scope of the TC-24 tariff proceeding. These projections are determined by Bonneville in other forums, such as the Integrated Program Review public process, with input from stakeholders. Pursuant to section 1010.4(b)(8) of the Rules of Procedure, the Administrator directs the Hearing Officer to exclude from the record all argument, testimony, or other evidence that challenges the appropriateness or reasonableness of the Administrator's decisions on costs and spending levels.

E. Rates

Pursuant to Bonneville's statutes, it must set rates to recover costs associated with providing power and transmission services. In addition to and concurrent with this proceeding, Bonneville is holding a separate Power and Transmission Rate Adjustment hearing (the BP-24 proceeding) regarding the proposed fiscal year 2024–2025 power and transmission, ancillary, and control area services rates, including the proposed BP-24 rates settlement agreement. Bonneville's decisions regarding rates are outside the scope of the TC-24 tariff proceeding. Bonneville is publishing a separate notice in the *Federal Register* regarding the BP-24 proceeding. Pursuant to section 1010.4(b)(8) of the Rules of Procedure, the Administrator directs the Hearing Officer to exclude from the record all argument, testimony, or other evidence related to rates, or that challenges the appropriateness or reasonableness of the Administrator's decisions on rates or seeks in any way to propose revisions to the rates, including rate schedules, rate schedule provisions, rate designs, rate methodologies, rate forecasts, interest expense and credit, Treasury repayment schedules, non-Federal debt repayment schedules, revenue financing, calculation of depreciation and amortization expense, forecasts of system replacements used in repayment studies, transmission acquisition expenses incurred by Power Services, generation acquisition expenses, minimum required net revenue, increase in, or the use of, financial reserves, and the costs of risk mitigation actions resulting from the expense and revenue

uncertainties included in the risk analysis.

F. Proposed Settlement of the BP-24 rate proceeding, FY 2024-2025 Average System Cost Process, and the FY 2022 Power Reserves Distribution Clause Process

The proposed settlement of the BP-24 rate proceeding, FY 2024-2025 Average System Cost Process, and the FY 2022 Power Reserves Distribution Clause Process is outside the scope of the TC-24 tariff proceeding. Pursuant to section 1010.4(b)(8) of the Rules of Procedure, the Administrator directs the Hearing Officer to exclude from the record all argument, testimony, or other evidence related to this proposed settlement.

Part III – Public Participation in TC-24

A. Distinguishing Between “Participants” and “Parties”

Bonneville distinguishes between “participants in” and “parties to” the TC-24 proceeding. Separate from the formal hearing process, Bonneville will receive written comments, views, opinions, and information from participants, who may submit comments without being subject to the duties of, or having the privileges of, parties. Participants are not entitled to participate in the prehearing conference; may not cross-examine parties’ witnesses, seek discovery, or serve or be served with documents; and are not subject to the same procedural requirements as parties. Bonneville customers that will receive transmission or interconnection service under the terms and conditions subject to this proceeding, or their affiliated customer groups, may not submit participant comments. Members or employees of organizations that have intervened in the terms and conditions proceeding may submit participant comments as private individuals (that is, not speaking for their organizations), but may not use the comment procedures to address specific issues raised by their intervener organizations.

Written comments by participants will be included in the record and considered by the Hearing Officer and the Administrator if they are received by Friday, December 9, 2022. The proposed Tariff and attachments are provided in Section V of this notice. Participants should submit comments through Bonneville’s website at www.bpa.gov/comment or in hard copy to:

BPA Public Involvement, DKS-7, Bonneville Power Administration, P.O. Box 3621, Portland, Oregon 97208. All comments should contain the designation “TC-24” in the subject line.

B. Interventions

Any entity or person intending to become a party in the TC-24 proceeding must file a petition to intervene through Bonneville’s secure website (<https://ratecase.bpa.gov/>). A first-time user of Bonneville’s secure website must create a user account to submit an intervention. Returning users may request access to the TC-24 proceeding through their existing accounts, and may submit interventions once their permissions have been updated. The secure website contains a link to the user guide, which provides step-by-step instructions for creating user accounts, generating filing numbers, submitting filings, and uploading interventions. Please contact the Hearing Coordinator via e-mail at cwgriffen@bpa.gov or, if the question is time-sensitive, via telephone at (503) 230-5107 with any questions regarding the submission process. A petition to intervene must conform to the format and content requirements set forth in Bonneville’s Rules of Procedure sections 1010.6 and 1010.11 and must be uploaded to the TC-24 proceeding secure website by the deadline established in the procedural schedule.

A petition to intervene must state the name and address of the entity or person requesting party status and the entity or person’s interest in the hearing. Bonneville customers and affiliated customer groups will be granted intervention based on petitions filed in conformance with Rules of Procedure. Other petitioners must explain their interests in sufficient detail to permit the Hearing Officer to determine whether the petitioners have a relevant interest in the hearing. The deadline for opposing a timely intervention is two business days after the deadline for filing petitions to intervene. Bonneville or any party may oppose a petition for intervention. All petitions will be ruled on by the Hearing Officer. Late interventions are strongly disfavored. Opposition to an untimely petition to intervene must be filed within two business days after service of the petition.

C. Developing the Record

The hearing record will include, among other things, the transcripts of the hearing, written evidence and arguments entered into the record by Bonneville and the parties, written comments from participants, and other material accepted into the record by the Hearing Officer. Upon conclusion of the hearing, the Hearing Officer will develop a recommended decision for the Administrator. The Hearing Officer's recommended decision must be based on the record and include the Hearing Officer's findings and conclusions, including the reasons or bases thereof, on all material issues of fact, law, or discretion raised by the parties in their initial briefs. The Hearing Officer will review and certify the record to the Administrator for final decision.

The Administrator will make a final determination establishing or modifying Tariff terms and conditions based on the record, the Hearing Officer's recommended decision, and such other materials and information as may have been submitted to or developed by the Administrator. The Final ROD will be made available to all parties.

Part IV – Summary of Proposed Modifications to Bonneville's Tariff

In this proceeding, Bonneville proposes to modify the non-rate Tariff terms and conditions consistent with the Tariff attached to the TC-24 Settlement Agreement, to be effective on October 1, 2023. The TC-24 Settlement Agreement includes (1) changes to the conditional reservation deadlines for hourly firm and daily firm point-to-point services; (2) maintaining the use of two season loss factors for the Network segment, updating the two season loss factors percentages, and removing the Utility Delivery and DSI loss factors from Schedule 11; (3) updating the description of BPA's ATC methodologies in Attachment C and specifying that BPA will stop maintaining a long-term ATC methodology for the long-term planning horizon on the flow-based paths and instead use commercial power flow studies to evaluate new transmission service requests; (4) modifying the large generator interconnection request template in Appendix 1 to Attachment L, Large Generator Interconnection Procedures, (5) clarifications to Attachment Q, Energy Imbalance Market, including adding a reference to the rate schedules that would be used under certain EIM contingencies, clarifying forecast data requirements, and updating the

location of BPA outage requirements; (6) ministerial edits; and (7) other process-related commitments. The proposed Tariff assumes the TC-24 settlement is successful. In the event the TC-24 settlement is unsuccessful, Bonneville will publish a revised Tariff proposal consistent with the procedural schedule established and amended by the Hearing Officer.

Part V – Proposed Tariff

Bonneville’s proposed Tariff and the TC-24 Settlement Agreement is part of this notice and is available to view and download on Bonneville’s website at <https://www.bpa.gov/goto/TC24>.

Signing Authority

This document of the Department of Energy was signed on November 8, 2022, by John L. Hairston, Administrator and Chief Executive Officer of the Bonneville Power Administration, pursuant to delegated authority from the Secretary of Energy. This document with the original signature and date is maintained by DOE. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the *Federal Register*.

Signed in Washington, DC, on November 17, 2022.

Treena V. Garrett,

Federal Register Liaison Officer,

U.S. Department of Energy.